

## CIVIL SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into between the United States of America, acting through the United States Department of Justice, and Monica Mehta, M.D., Monica Mehta, M.D. P.A., Physical Medicine and Rehabilitation Services of Hudson County, P.A., and the Center for Evaluation and treatment of Neuro-Muscular and Orthopedic Disorders and Injuries, P.A. ("Mehta") (hereafter collectively referred to as "the Parties"), through their authorized representatives.

### PREAMBLE

A. Mehta is an individual who resides in the State of New Jersey. At all times relevant herein, Mehta was a Medical Doctor licensed in the State of New Jersey.

B. The United States contends that it has certain civil claims, as specified in Paragraph 2, below, for engaging in the following conduct from on or about January 1, 2004 through January 31, 2011:

1. During the relevant time period, Mehta received payments for psychiatry and related services, to which she may not have been entitled to from the Federal Employee Health Benefits Program and the Office Workers' Compensation Program of the United States Department of Labor. Mehta was not entitled to the said payments because they were for services for which Mehta may have already been reimbursed (hereinafter referred to as the "Covered Conduct").

C. Mehta denies the contentions of the United States set out in Paragraph B. This Agreement is neither an admission of facts or liability by Mehta, nor a concession by the United States that its claims are not well founded.

D. To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, the Parties reach a full and final settlement pursuant to the Terms and Conditions below.

#### TERMS AND CONDITIONS

1. Mehta shall pay to the United States two million two hundred and fifty thousand dollars (\$2,250,00.00) (Settlement Amount) by electronic funds transfer pursuant to written instructions to be provided by United States Attorney's Office, District of New Jersey. Mehta agrees to make this electronic funds transfer within one day of Effective Date of this Agreement.

2. Subject to the exceptions in Paragraph 3 (concerning excluded claims) below, and conditioned upon Mehta's full payment of the Settlement Amount, the United States (on behalf of itself, its officers, agents, agencies, and departments) releases Mehta from any claims the United States has or may have under the common law theories of payment by mistake, unjust enrichment, and fraud, for the Covered Conduct.

3. Notwithstanding the release given in paragraph 2 of this Agreement, or any other term of this Agreement, the following claims of the United States are specifically reserved and are not released: any liability arising under Title 26, U.S. Code (Internal Revenue Code); any criminal liability; except as explicitly stated in this Agreement, any administrative liability, including mandatory and permissive exclusion from Federal health care programs; any liability to the United States (or its agencies) for any conduct other than the Covered Conduct; any liability based upon obligations created by this Agreement; any liability for failure to deliver goods or services due; and any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

4. In compromise and settlement of the rights of the Office Workers' Compensation Program of the United States Department of Labor, Mehta voluntarily agrees not to bill the United States for treating United States Postal Service employees under the Office of Workers' Compensation Program for a period of 1 year, effective upon the date of this Agreement. After this voluntary agreement has been in force and effect for 1 year from the date of this Agreement, Dr. Mehta may resume billing United States Postal Service employees for the Office of Workers' Compensation Program and billing the United States for such services where appropriate.

5. Mehta waives and shall not assert any defenses Mehta may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action. Nothing in this paragraph or any other provision of this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

6. Mehta fully and finally releases the United States, and its agencies, employees, servants, and agents from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Mehta has asserted, could have asserted, or may assert in the future against the United States, and its agencies, employees, servants, and agents, related to the Covered Conduct and the United States' investigation and prosecution thereof.

7. The Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare carrier or intermediary, the

Federal Employee Health Benefits Program, the Department of Labor, or any state payer, related to the Covered Conduct; and Mehta agrees not to resubmit to any Medicare carrier or intermediary, the Federal Employee Health Benefits Program, the Department of Labor or any state payer any previously denied claims related to the Covered Conduct, and agrees not to appeal any such denials of claims.

8. a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395kkk-1 and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Mehta, its present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;
- (3) Mehta's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorney's fees);
- (4) the negotiation and performance of this Agreement; and
- (5) the payment Mehta makes to the United States pursuant to this Agreement.

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be

separately determined and accounted for by Mehta, and Mehta shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any State Medicaid program, or seek payment for such Unallowable Costs through any cost report, cost statement, information statement, or payment request submitted by Mehta or any of its subsidiaries or affiliates to the Medicare, Medicaid, or Federal Employee Health Benefits Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment:

Mehta further agrees that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare fiscal intermediaries, carriers, and/or contractors, and FEHB fiscal agents, any Unallowable Costs (as defined in this Paragraph) included in payments previously sought from the United States, or any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Mehta or any of its subsidiaries or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the unallowable costs. Mehta agrees that the United States, at a minimum, shall be entitled to recoup from Mehta any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

..... Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Mehta or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this

Paragraph) on Mehta or any of its subsidiaries or affiliates' cost reports, cost statements, or information reports.

d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Mehta's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

9. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 10 (waiver for beneficiaries paragraph), below.

10. Mehta agrees that it waives and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct.

11. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

12. Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

13. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of New Jersey. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

14. This Agreement constitutes the complete agreement between the Parties. This

Agreement may not be amended except by written consent of the Parties.

15. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

16. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

17. For purposes of construction, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for any reason in any subsequent dispute.

18. This Agreement is binding on Mehta's transferees, heirs, and assigns.

19. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

20. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

[SIGNATURE BLOCKS ON FOLLOWING PAGES]

THE UNITED STATES OF AMERICA

PAUL J. FISHMAN  
United States Attorney  
District of New Jersey

DATED: 3/4/11

BY: 

ALEX FRIEGSMAN  
Assistant United States Attorney

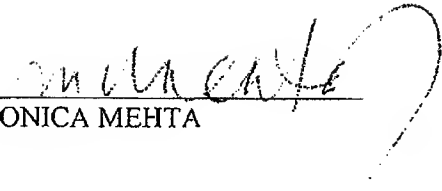


MEHTA

DATED:

3/3/11

BY:

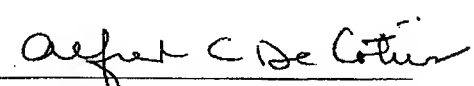
  
MONICA MEHTA

ALFRED C. DECOTIIS, ESQ

DATED:

3/3/11

BY:

  
ALFRED C. DECOTIIS, ESQ  
Counsel for Monica Mehta